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Bill Shuman, President, and
Board of Directors of the
Hillsmere Shores Improvement Association, Inc.
P.O. Box 3485
Annapolis, Maryland 21403

RE: Waterfront Property – Community Beach

D. Gregory Singleton, et al v. Hillsmere Shores Improvement Association, Inc. et al.
Anne Arundel County Circuit Court - Case #: 02-C-03-091246

Dear Mr. President and Members of the Board:

I have been requested to explain what effect the above entitled suit has on the lot owners in Hillsmere and what harm it does to their title to their own residential lot.

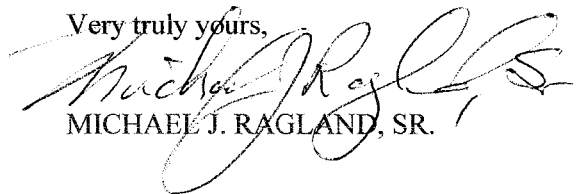
The short answer to the question is that this suit does not, will not and can not have any bearing on a lot owner's interest in their own lot. This suit is a claim of adverse possession against portions of the community beaches not any residential lot.

In July 1965, the Developer of Hillsmere Estates gave the Hillsmere Improvement Association, Inc. the community beach and declared that all lot owners in the subdivision had the right to use the beach as a community beach. The Plaintiffs in the above entitled case say they have had sole possession and control of portions of the community beach for more than 20 years and are seeking a declaration from the Court that those portions of the beach now belong to them alone. They are not seeking damages nor are they claiming any interest in the individual residential lots elsewhere in the community.

If the Plaintiffs win then they will have title to a portion of the community beach and the lot owners in the subdivision may no longer have a right to use those portions as a community beach. The law suit does not have any effect of the title of a lot owner relative to their individual lot nor will a judgment in any way affect their right, title or interest in their individual lots. Therefore this case has no bearing on a lot owner's ability to sell or refinance their separate and individual residential lot.

I hope this answers the questions about the involvement of lot owners in this case. They are being made Defendants to eliminate their interests in part of the community beach which has nothing to do with their title to their own lot. If you have any further questions, please feel free to contact me. I am,

Very truly yours,



MICHAEL J. RAGLAND, SR.